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REMARKS/ARGUMENTS

In this amendment, claims 1 and 36 are amended. Thus, claims 1-7, 10-26, 29-40 and 43-47 remain pending.

Allowable Subject Matter

Applicants note with appreciation the indicated allowability of claims 22-26, 29-35, 45, and 46...

Rejections under 35 U.S.C. § 101

Claims 1-7, 10-21, 36-40, 43, 44 and 47 are rejected under 35 U.S.C. 101 for not being directed to non-statutory subject matter.

Claims 1-7, 10-21

Claim 1 recites the patentable transforation of "blending the luminosity texture onto the target surface, thereby generating luminosity compensated pixel data for the image that is stored in the computer." Thus, the pixel data is transformed to luminosity compensated pixel data that is stored on the computer. See MPEP 2106 IV (B)(2)(1). The transformation is necessarily physical as the actual values of at least some of the data on the computer have changed. Accordingly, Applicants respectfully request withdrawal of these rejections.

Claims 36-40, 43-44, and 47

Claim 36 recites a tangible article of "a computer readable medium <u>encoded</u> with program code for <u>controlling</u> operation of a computer system to generate a luminosity compensated image."

When functional descriptive material is recorded on some computer-readable medium, it becomes structurally and functionally interrelated to the medium and will be statutory in most cases since use of technology permits the function of the descriptive material to be realized. MPEP 2106.01.

Since the computer readable medium has program code recorded (i.e. encoded) on it, the above rule from the MPEP applies. Also, the program code is functional since it is for

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controlling the operation of a computer system. Accordingly, Applicants respectfully request withdrawal of these rejections.

CONCLUSION

In view of the foregoing, Applicants believe all claims now pending in this Application are in condition for allowance. The issuance of a formal Notice of Allowance at an early date is respectfully requested.

If the Examiner believes a telephone conference would expedite prosecution of this application, please telephone the undersigned at 415-576-0200.

Respectfully submitted,

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